

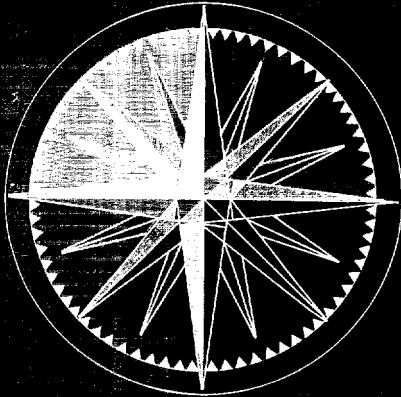
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28 May 1964

OCI No. 0333/64A

Copy No. 54



SPECIAL REPORT

PEACE-KEEPING OPERATIONS AND THE UN'S FINANCIAL PROBLEMS

CENTRAL INTELLIGENCE AGENCY
OFFICE OF CURRENT INTELLIGENCE

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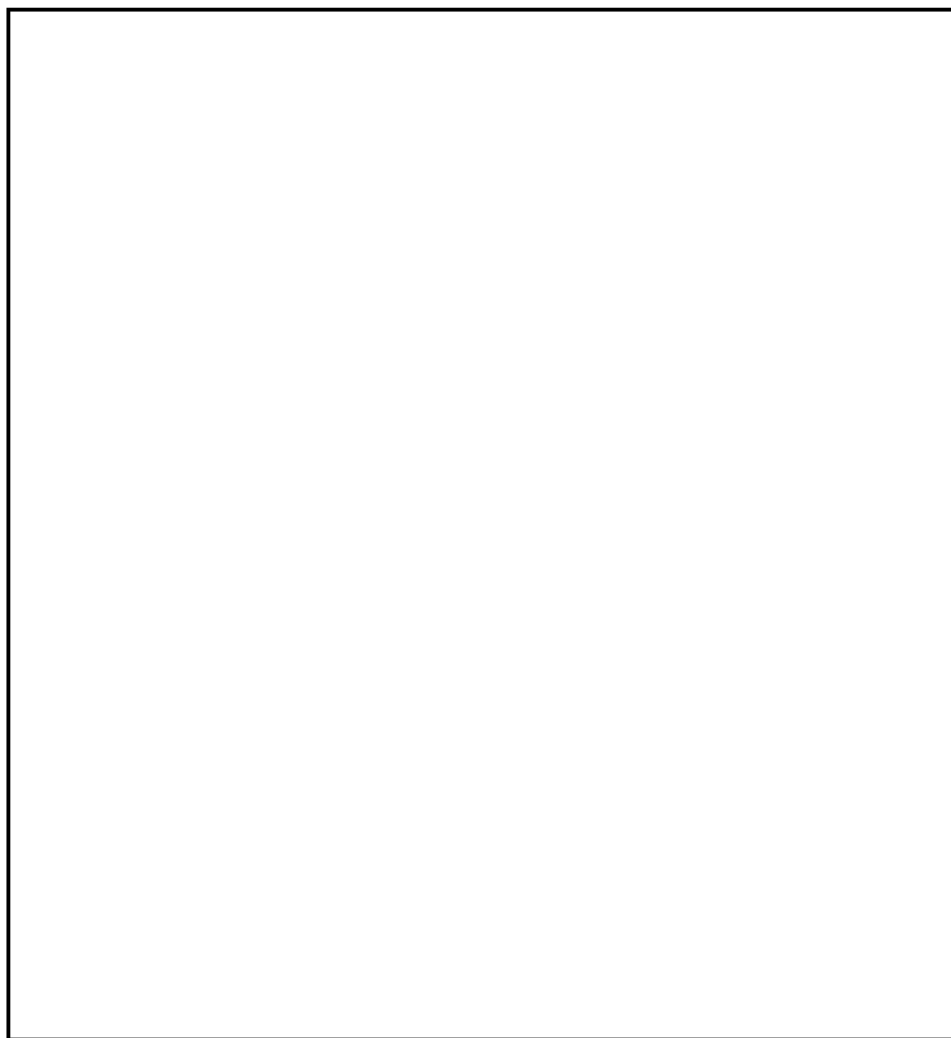
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PEACE-KEEPING OPERATIONS AND THE UN'S FINANCIAL PROBLEMS

The United Nations may be headed for a showdown at the next General Assembly session, opening on 10 November, over methods of financing future peace-keeping operations. As the US interprets the UN Charter, the USSR stands to lose its General Assembly vote this year because of its refusal to pay its share of the costs of the Congo and Palestine operations, which Moscow opposes. UN members, meanwhile, are trying to work out a formula which both the USSR and the West could accept. Whatever compromise is reached must satisfy the members which are the UN's major financial contributors and which therefore want the greater voice in the control of peace-keeping operations. However, the formula must not too drastically curtail the rights the more numerous but poorer countries now have to initiate such actions.

Background

The founding members of the UN envisaged that the Security Council would have sole jurisdiction over peace-keeping operations and that the permanent members of the council would bear the major responsibility for initiating and maintaining these operations. The USSR's excessive use of the veto, however, soon paralyzed the council, and resulted in the 1950 "Uniting for Peace" resolution which authorized the General Assembly to act when the council failed to do so. This resolution permitted the assembly to set up the UN Emergency Force in Palestine (UNEF) in 1956 as well as the UN Congo operations (ONUC) in 1960. In the meantime, the assembly has grown from some 50 members to over 100, with the result that the UN's major financial contribu-

tors are obliged to pay for operations set in motion by a majority of members who contribute the least.

The UNEF and ONUC operations have brought the UN close to bankruptcy. Many members are behind in their payments--particularly the less-developed countries, while some, notably the USSR and France, have refused to pay for the peace-keeping activities authorized by the assembly on grounds they are illegal.

The International Court of Justice ruled in July 1962 that expenses for both these operations fall within the "regular" assessments of UN member states. The court reached its decisions, however, by only a narrow vote. The assembly subsequently accepted the ICJ's ruling.

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Under this arrangement the USSR, which is now more than two years in arrears, is delinquent and must either pay up or lose its voting rights in the assembly. France, which pays its share of the UNEF costs, will, however, become delinquent in 1965 for nonpayment of its Congo assessments. Among other countries which are behind in their dues are several bloc countries, China, seven Latin American states, and Yemen.

Article 19

Article 19 of the UN Charter, in its entirety, reads as follows:

A member of the United Nations which is in arrears in the payment of its financial contributions to the Organization shall have no vote in the General Assembly if the amount of its arrears equals or exceeds the amount of the contributions due from it for the preceding two full years. The General Assembly may, nevertheless, permit such a Member to vote if it is satisfied that the failure to pay is due to conditions beyond the control of the Member.

In the opinion of the US legal experts, the first sentence of the article entails no decision by the General Assembly to suspend a member's vote;

it is mandatory and automatic in effect. The second provision, they believe, is permissive and requires an assembly decision, presumably a two-thirds majority consent, to allow a member to keep its vote.

The US opinion, however, is by no means universally accepted. By and large, the other UN members are skeptical that it is realistic to insist on automatic application of Article 19--particularly to the USSR. They fear a direct US-USSR confrontation on the issue will cause Moscow to leave the General Assembly. The USSR has, indeed, threatened to walk out if deprived of its vote, and a large number of countries are loath to call Moscow's bluff. In any event, a majority of the members believe that there can be no UN without both the US and the USSR and therefore are endeavoring to find some way in which the USSR can be persuaded to pay at least a portion of its arrears without seeming to lose face.

Added to this view is the deep-seated feeling among the less-developed countries--particularly those with one-crop economies--that "there but for the grace of God, good weather, etc., go I." They do not want to see a precedent set that would be used against them in the future. Heretofore, countries in debt for more than two years have stayed away from UN meetings in which a vote might

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be taken until they had tendered a token payment which would bring them within the two-year limit. This was true of Haiti in the special session in the spring of 1963.

A recent survey of UN members by the US Mission on the question of automatic application of Article 19 revealed mixed feelings. Most Europeans are doubtful that the US can make its interpretation of the article prevail. The Afro-Asians seem united in insisting that the Soviets must pay, but they are "timid" about the possible breakup of the UN if the vote goes against the USSR. The Latin Americans are "dancing on the legalistic needle points" of the argument.

Future Financing

Secretary General Thant has been concerned about the bad state of the UN's finances ever since he took office in 1961. He succeeded in arranging for ONUC to wind up its operations in the Congo by the end of next month. In recent peace-keeping operations, such as those in Yemen and Cyprus, Thant has consistently maintained that the costs would have to be defrayed by the parties to the dispute and by voluntary contributions. These makeshift financial arrange-

ments have their obvious drawbacks, and Thant has scornfully described what is being done on Cyprus as "tincup" financing.

In 1962 the General Assembly directed a Working Group of 21, representing a cross section of the assembly membership, to find some uniform way for the UN to pay the expenses of its peace-keeping operations. The committee has been meeting periodically since then but seems to be getting nowhere in coming up with a generally acceptable formula. The less-developed countries apparently are prepared to live with the status quo rather than give up any portion of the "Uniting for Peace" resolution. Their representatives on the working group met with a Soviet UN representative as recently as last week only to find that Moscow is still adamant about not paying for "illegal" operations. Moscow insists that it would not consider changing this position until the General Assembly's power to initiate peace-keeping operations is abandoned.

The working group now is considering proposals which attempt to strike a new balance between the council and the assembly in the initiation and conduct of peace-keeping operations. These proposals are also aimed at satisfying both big and small countries.

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